

THIRD DAY.—*Wednesday, 8th June 1932.*

The House re-assembled at 12 Noon.

With reference to the adjournment motion received from Mr. N. G. Sanjeeviah relating to the double levy of road cess, THE DEWAN informed the House that it was not a matter of urgent importance, and he therefore disallowed it. He added that a deputation was going to wait on him in the same matter, when the question would be fully discussed.

In regard to the other adjournment motion given notice of by Mr. D. S. Mallappa relating to the abolition of the Intermediate College at Tumkur from 1st July 1932, the Dewan observed that, so far as Government were aware, no such proposal had been received by them and that there would be no use discussing it now. On Mr. D. S. Mallappa pointing out that the provision for the college had been omitted in the Budget, the Dewan agreed that the motion could be taken up at 4-30 P.M. the next day.

QUESTIONS AND ANSWERS—(Continued).

MESSRS. R. SUBBA RAO (Anekal Taluk) and T. SIDDALINGIAH (Dodballapur Municipality).—

Q.—8. Will the Government be pleased to state :—

(a) Whether they contemplate the establishment of a sugar factory in the Irwin Canal area; if so, what capital outlay will be necessary?

(b) Has it been considered desirable to secure this capital within the Mysore State?

(c) Was this matter placed before the capitalists, sugar merchants and others of the Mysore State?

(d) Were the Mysore Chamber of Commerce and similar associations consulted in the matter?

(e) Is it a fact that the Government propose to give Messrs. Parry & Co., Confectioners, the right of opening a factory within the Irwin Canal area offering them certain

facilities, etc., and if so, why should not preference be given to Indian enterprise or a Government sugar factory opened in that area?

SECRETARY TO GOVERNMENT, DEVELOPMENT DEPARTMENT.—

A.—8. (a) to (e) The question of starting a sugar factory in the Irwin Canal area is being examined and information collected as regards capital cost and other details. No decision has been taken in the matter.

Supplementary Questions and Answers.

Mr. R. Subba Rao.—

Has any estimate of capital cost been prepared?

Secretary to Government, Development Department.—

It has been called for.

Mr. R. Subba Rao.—

Can the Government say what the amount may probably be?

Secretary to Government, Development Department.—

How can that be said before estimates are received?

Mr. R. Subba Rao.—

Will the Government themselves start the factory?

Secretary to Government, Development Department.—

That question has to be decided only after estimates and other details are received.

Mr. R. Subba Rao.—

Is it true that the Government propose to give Messrs Parry & Co., the right of starting the factory?

Secretary to Government, Development Department.—

No such proposal is under consideration at present.

Mr. J. Mahomed Imam.—

Will the Government provide any funds for the running of the factory?

Secretary to Government, Development Department.—

That has not been decided.

Mr. P. Subbarama Chetty.—

Will the Government decide the question of starting the factory after ascertaining the views of the capitalists, sugar merchants and others in the Mysore State?

Secretary to Government, Development Department.—

The matter is under consideration.

Mr. P. Subbarama Chetty.—

Has the establishment of the factory been settled?

First Member of Council.—

No.

Mr. P. Subbarama Chetty.—

Then, before deciding the question finally, is it not necessary for the Government to obtain the views of the sugar merchants and others in the Mysore State?

First Member of Council.—

I do not think we can consult them all.

Capt. Y. V. Ayya.—

When a decision to establish the factory is reached, will the right of opening it be given to local enterprise?

First Member of Council.—

What the nature of the concern should be has not been settled. There may be need for several factories when the whole area is developed.

Capt. Y. V. Ayya.—

If it is decided to allow a private concern to open the factory, will the Government prefer men locally available?

First Member of Council.—

As I stated, what the nature of the concern should be has not been decided.

Mr. V. V. Iyer.—

Are the Government aware that in the Bhadra Agricultural Colony sugar is being manufactured?

First Member of Council.—

A small quantity is being made there.

Mr. V. V. Iyer.—

If a co-operative society is formed there with a view to manufacture it on a larger scale, will the Government afford any financial help to it?

First Member of Council.—

That is a different matter. The question under consideration is not that of sugar manufacture at the Bhadra Colony.

Mr. R. Subba Rao.—

Are the Government aware that the Registrar of Co-operative Societies said at a meeting held in Mandya some time back that Government themselves would run the factory?

First Member of Council.—

I do not know.

Mr. D. S. Mallappa.—

If the Government think of running the factory themselves, will the proposals in that regard be placed before the two Houses?

First Member of Council.—

It would come up as a question of funds.

Mr. D. S. Mallappa.—

If loss is sustained by the Government in running the concern, will that not indirectly fall on the tax-payers?

First Member of Council.—

The concern has not yet been started, and I do not think we need consider now the results of its working.

Mr. D. S. Mallappa.—

Have not the losses sustained already by Government in running several concerns fallen on the people indirectly?

First Member of Council.—

It is a general observation.

Mr. D. S. Mallappa.—

Would it not be better if the opinion of the two Houses is taken before the work is undertaken by the Government?

First Member of Council.—

As I stated, if any Government funds are to be advanced, the matter will come up for consideration in the usual course.

Mr. B. S. Puttaswamy.—

Has any estimate of the capital cost and other things been received from Messrs. Parry & Co.?

First Member of Council.—

Not yet.

Mr. K. Ibrahim Khan.—

What are the details of the scheme?

First Member of Council.—

A scheme has been called for.

Mr. B. S. Puttaswamy.—

Have *mutchalikas* been taken from the raiyats to the effect that when sugar-cane is grown, the crop should be made available for being used for manufacturing sugar?

First Member of Council.—

They are being taken. There is, however, no compulsion.

Mr. B. S. Puttaswamy.—

If so, without first deciding the question of establishing the factory itself, how can any *mutchalika* be taken from the raiyats?

First Member of Council.—

Whether sugar-cane can be had has to be ascertained to consider any sugar-making scheme.

Dewan.—

Sugar-cane must be cultivated and a factory also established. If there is no cultivation of sugar-cane, the raiyats

will not be able to derive adequate benefit from the lands under the *nala*.

Mr. B. S. Puttaswamy.—

Do Government not know the extent of land for sugar-cane cultivation?

First Member of Council.—

A survey of lands fit for sugar-cane cultivation has been made.

Mr. B. S. Puttaswamy.—

Will not the taking of the *mutchalika* amount to insisting on the raiyats to give the cane grown for the purpose of manufacturing sugar?

First Member of Council.—

I do not think so.

Mr. B. S. Puttaswamy.—

If the Government themselves were to start the factory, then the agreement could be enforced by them. But, if a private company is allowed to run it, why should the agreement be taken from the raiyats?

First Member of Council.—

A sugar factory cannot be started unless a supply of sugar-cane is fairly assured.

Mr. R. Subba Rao.—

Can Government assure the House that encouragement will be given to local men to undertake the enterprise?

First Member of Council.—

I think local capital will have all the opportunity it requires for investment in this business in the area commanded by this canal.

Mr. H. C. Dasappa.—

Do the Government spend any money on the scheme?

First Member of Council.—

No decision has yet been taken in the matter.

Mr. H. C. Dasappa.—

Are the Government not going to spend any money on the scheme?

First Member of Council.—

• Nothing has yet been settled.

Mr. H. C. Dasappa.—

Will the Government consult the Finance and Taxation Committee if they think of spending any money on the scheme?

First Member of Council.—

If the Government propose to spend any money on the scheme, it will be placed before the committee.

Mr. L. Vema Reddy.—

Have not Government started many a factory like this?

First Member of Council.—

That is a general question.

Mr. L. Vema Reddy.—

My point is, why should Government undertake the scheme?

Dewan.—

When the scheme is formulated and if Government undertake it, the matter will be placed before the Finance and Taxation Committee. It cannot be laid down as a general proposition that Government will not undertake any such schemes. In the beginning, financial help may be considered necessary. Government also should take some interest in the matter; for, without it, little will be accomplished.

Mr. L. Vema Reddy.—

Are the Government aware that there is an impression that if Government undertake a commercial venture, it will not be run profitably?

Dewan.—

It will not be purely a Government factory. The idea is that the factory when established should be run on a

cooperative basis in order that it should be beneficial to the raiyats. The organization should be wide. Shares may have to be subscribed for.

Mr. P. Subbarama Chetty.—

May I know whether the object is to form a joint-stock company and run the factory with the help of the shareholders' money?

First Member of Council.—

That may be the nature of the concern, but nothing definite has yet been settled.

Mr. V. Venkatappa.—

Is there any condition in the agreement about the price at which the sugar-cane grown should be sold by the raiyats and is there any penal clause also in the agreement?

First Member of Council.—

The object is to assure to the raiyats a definite price for their cane. There is no penal provision. The raiyats are likely to find the arrangement to be in their interest.

Mr. V. Venkatappa.—

Are there no local sugar experts?

First Member of Council.—

I do not know.

Mr. V. Venkatappa.—

Is it not necessary to train somebody?

First Member of Council.—

May be considered.

Mr. K. T. Bhashyam Iyengar.—

Can the details of the scheme be furnished?

First Member of Council.—

The scheme is not yet ready.

Mr. K. T. Bhashyam Iyengar.—

Has any estimate been prepared of the quantity of sugar-cane that can possibly be grown in the area?

R.A.

First Member of Council.—

Yes. A rough estimate.

Mr. K. T. Bhashyam Iyengar.—

What might be the probable estimate?

First Member of Council.—

I cannot give any figures. A large extent of land will come under sugar-cane cultivation.

Mr. K. T. Bhashyam Iyengar.—

Then, what is the agreement for?

First Member of Council.—

As I stated, it is for ascertaining what quantities of sugar-cane would be available for use by a factory.

Mr. N. G. Sanjeeviah.—

Would the Government find out why the sugar factory at Goribidnur failed and take a lesson from it?

Dewan.—

That factory failed through, probably, lack of experience.

Mr. S. C. Malliah.—

If the raiyats now agree to supply cane and if they fail to supply it later on, will they be penalised?

First Member of Council.—

No. The object is only to have an estimate of the quantity of cane that would be available for use by a factory.

Mr. Belur Srinivasa Iyengar.—

In the event of a company being allowed to undertake the concern, will the Government place the draft of the agreement with them before the House?

First Member of Council.—

There would be no objection to show any such agreement to a member who wants to see it.